
WTO and Agriculture

Exports Are Vital to U.S. Agricultural Products

U.S. agriculture increasingly looks overseas to expand sales and boost incomes. For many farm products, a substantial percentage of domestic production is shipped overseas. Many agricultural industries also find their sales heavily concentrated in only one or two foreign markets. Given this situation, an effective U.S. government-industry partnership to improve access to existing markets and open new markets is critical, and the next round of World Trade Organization (WTO) talks provides the best opportunity to achieve our objectives by liberalizing global trade.

How Dependent Are Agricultural Industries on Overseas Markets?

Bulk commodities have long depended on overseas markets. The portion of domestic production exported is typically 20-50% range for wheat, corn, soybeans, cotton, rice, and tobacco.

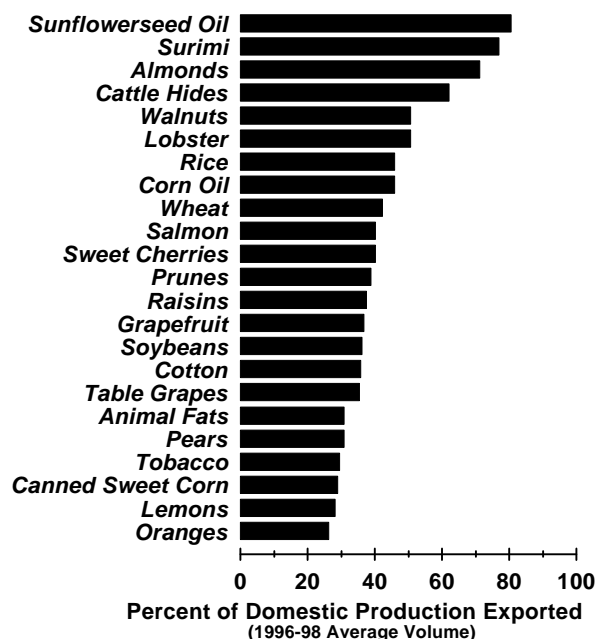
Since the mid-80s, high-value products have seen export sales outpace domestic sales by a wide margin. The result: high-value products are more dependent than ever on overseas markets.

The export dependency levels for high-value products with annual sales over \$1 billion are 62% for cattle hides, 17% for poultry meat, 8% for beef, and 6% for pork.

Many horticultural products are highly dependent on exports. This is especially true for almonds (71%), walnuts (51%), sweet cherries (40%), prunes at (39%), and raisins, citrus, grapes, pears, and sweet corn (26-37%).

Several fishery products are highly export dependent, especially surimi (77%), lobster (51%), and salmon (40%).

Many Products Depend on Overseas Markets for at Least 25% of Total Sales



Many Industries Depend Heavily on a Single Foreign Market

Half of all major agricultural products and all major fishery products depend on a single market for 40% or more of total export sales. In most cases, this top market is Japan, Canada, the EU, or Mexico. Which agricultural industries ship the highest percent of total exports to a single top market?

The list includes tomatoes, hay/alfalfa, lettuce, strawberries, canned peaches, sunflower seeds, lemons (70-91%), and tomato sauce, almonds, sweet corn, cattle, broccoli, walnuts (52-69%).